

## Message Text

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INFO ALL EUROPEAN DIPLOMATIC POSTS  
AMCONSUL BREMEN  
AMCONSUL DUSSELDORF  
AMCONSUL FRANKFURT  
AMCONSUL HAMBURG  
AMCONSUL MUNICH  
AMCONSUL STUTTGART  
USCINCEUR  
CINCUSAREUR  
CINCUSAFE  
USNMR SHAPE

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E.O. 11652: GDS

TAGS: PFOR, GW, US

SUBJECT: FEDERAL REPUBLIC OF GERMANY: US POLICY GUIDELINES

J

REF: (A) BONN 5655 (3/30/77), (B) STATE 241424 (9/28/76),  
(C) BONN 7053 (4/25/77)

1. SUMMARY: THESE US POLICY GUIDELINES ARE INTENDED

TO SERVE AS THE BASIC STATEMENT OF US POLICY TOWARDS THE FRG FOR THE COMING YEAR. INTERAGENCY CONSIDERATION OF OUR RELATIONS WITH THE FEDERAL REPUBLIC OF GERMANY CONCLUDED THAT OUR FUNDAMENTAL RELATIONSHIP IS STRONG ENOUGH TO WITHSTAND OCCASIONAL SPECIFIC DIFFERENCES. THE FRG IS NO LONGER A "WARD" OF THE US, AND WE APPROACH OUR RELATIONSHIP AS A PARTNERSHIP. HOWEVER, BASIC INEQUALITY AND ASYMMETRY DO EXIST: WE ARE A WORLD POWER OPERATING ON MANY LEVELS AND IN MANY AREAS WELL BEYOND THE CAPABILITIES OF THE FEDERAL REPUBLIC, AND WE ARE THAT COUNTRY'S ULTIMATE SECURITY UMBRELLA.

THIS IS BALANCED BY A GREAT DEGREE OF POLITICAL/ECONOMIC

INTERDEPENDENCE. AS FOR THE US, BECAUSE OF THE GREAT VALUE WE DERIVE FROM CLOSE COOPERATION WITH THE FRG

IN SO MANY SPHERES, AND PARTICULARLY IN NATO, IT SERVES OUR INTERESTS TO KEEP OUR BILATERAL RELATIONS AS HARMONIOUS AS POSSIBLE. SPECIFICALLY, WE SHOULD SEEK TO DISPEL GERMAN UNEASE BY FOSTERING FRANK EXCHANGES AND CONSULTATIONS DESIGNED TO MANAGE OUR REAL DIFFERENCES OF INTERESTS, TO CONVEY TO THE GERMANS OUR UNDERSTANDING OF THE CONSTRAINTS UNDER WHICH THEY OPERATE, AND TO ENLIST THE FRG SUPPORT CRUCIAL TO SO  
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MANY OF OUR FUNCTIONAL OBJECTIVES.

THE REVIEW CONCLUDED THAT MANY FACTORS WHICH HAVE LED MEDIA AND OTHER OBSERVERS TO PORTRAY OUR BILATERAL RELATIONS AS DETERIORATING CAN BE REDUCED TO DIFFERENCES IN STYLE AND MANAGEMENT BETWEEN A NEW US ADMINISTRATION DESIROUS OF MAKING SUBSTANTIVE PROGRESS ON MANY IMPORTANT FUNCTIONAL ISSUES AND A BONN GOVERNMENT WHICH

HAS BEEN WEAKENED INTERNALLY AND NO LONGER ENJOYS THE FREEDOM OR THE MEANS OF ACTION IT POSSESSED IN RECENT YEARS. MEANWHILE, THE LONDON SUMMIT HAS FORTUITOUSLY REESTABLISHED A MUCH MORE POSITIVE TONE FOR OUR RELATIONSHIP.

A MAJOR PROBLEM FOR THE DYNAMICS OF THE US-FRG RELATIONSHIP WAS PINPOINTED IN THE ROLE PLAYED BY  
(1) THE FRG'S BERLIN, GDR AND EASTERN EUROPE PROBLEMS;  
(2) THE GROWING WEAKNESS OF OTHER WEST EUROPEAN STATES RELATIVE TO THE FRG; AND (3) THIRD WORLD DEMANDS, IN PARTICULAR FOR NUCLEAR TECHNOLOGY. OUR BILATERAL TIES WILL BE INCREASINGLY SUBJECT TO THE INTERACTION OF THE FRG WITH THESE THREE AREAS. THE RESULT IS TWO SOMEWHAT DISPARATE LEVELS OF US-FRG INTERESTS: TRADITIONAL "COMMONALITY" IN THE DEFENSE AND GEO-POLITICAL

FIELDS, BUT POTENTIAL DISAGREEMENTS BASED ON ECONOMIC

MATTERS WHICH COULD AFFECT US AND FRG APPROACHES TO INTERNATIONAL PROBLEMS, SO THAT CLOSE COOPERATION BY THE FRG SHOULD NO LONGER BE TAKEN FOR GRANTED.

ANOTHER PROBLEM CITED WAS THE US TENDENCY TO PLACE HEAVY DEMANDS ON THE FRG TO SUPPORT OUR POLICY INITIATIVES THROUGHOUT THE WORLD WITHOUT OUR SETTING PRIORITIES AMONG THESE VARIED DEMANDS. ECHOING EMBASSY BONN'S VIEW, THE REVIEW URGES MORE SYSTEMATIC  
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SCREENING OF OUR REQUESTS OF THE FRG, SINCE THE CUMULATIVE EFFECT OF THEM HAS BEEN TO SURPASS FRG RESOURCES AND EVOKE NEGATIVE REACTIONS. END SUMMARY.

-. TRENDS IN RELATIONS: THE 1976 POLICY ASSESSMENT FOUND THAT OUR BILATERAL RELATIONS HAD CONTINUED TO DEVELOP GENERALLY ALONG THE POSITIVE LINES INDICATED THE YEAR BEFORE. BOTH COUNTRIES HAD MADE A MAJOR EFFORT TO ACHIEVE A GREATER IDENTITY OF VIEWS; BOTH WERE AVOIDING REFERENCES TO ANY SPECIAL OR PRIVILEGED CHARACTER OF US-FRG TIES; AND THE US, IN SUPPORTING INCREASED FRG ACTIVITIES ON THE INTERNATIONAL STAGE, WAS NOT PUSHING THE FRG TO TAKE STEPS INCOMPATIBLE WITH THE PURSUANCE OF BETTER RELATIONS WITH ITS NEIGHBORS IN EASTERN AND WESTERN EUROPE. HOWEVER, THIS HARMONIOUS DEVELOPMENT

WAS ACCOMPANIED BY SOMEWHAT EXCESSIVE EUPHORIA, DEMONSTRATED DURING THE MANY EXCHANGES OF HIGH-LEVEL VISITS IN 1976 AND THE SPONTANEOUS AND FAR-REACHING GERMAN CELEBRATION OF OUR BICENTENNIAL BY THE RECITATION OF SUCH STATEMENTS AS "RELATIONS HAVE NEVER BEEN BETTER." LATE IN THE YEAR A MORE REALISTIC NOTE WAS ADDED BY WASHINGTON (BUT NOT BONN) RECOGNITION THAT WE WERE HEADED FOR SOME SERIOUS DISAGREEMENT OVER NUCLEAR PROLIFERATION MATTERS.

WHILE US-FRG RELATIONS HAVE INDEED GROWN STEADILY STRONGER AND CLOSER OVER THE PAST FEW YEARS, THERE HAVE ALWAYS BEEN JUNCTURES WHERE WE HAVE DISAGREED ON ONE OR MORE IMPORTANT ISSUES. WE CURRENTLY FIND OURSELVES IN A PERIOD WHICH HAS BEEN MARKED BY SERIOUS DISAGREEMENT ON WIDE-RANGING NUCLEAR PROLIFERATION AND ENERGY QUESTIONS. WE DIFFER TO A LESSER EXTENT ON OUR DOMESTIC REACTIONS TO INTERNATIONAL ECONOMIC REFLATION STRATEGY, IMPLEMENTATION OF NATO STANDARDIZATION, AND QUESTIONS OF EMPHASIS IN THE HUMAN RIGHTS FIELD. WHILE  
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COMMON PURPOSE AND MUTUAL COMMITMENT ARE IN NO DANGER, THE PUBLIC IMPRESSION HERE AND THERE IS THAT OUR RELATIONS HAVE DETERIORATED. (FOR EXAMPLE, STRAINS OVER THE CHOICE OF A NEW MAIN BATTLE TANK PUT A COMPETITIVE PUBLIC EDGE ON GENERALLY COOPERATIVE MUTUAL DEFENSE EFFORTS.) THE FRG SEEMS TO BE ATTAINING THE HIGH DEGREE OF SOVEREIGN IDENTITY SO LONG ANTICIPATED. IT IS PREOCCUPIED WITH ITS ROLE VIS-A-VIS THE REST OF EUROPE AND THE US, AND BELIEVES THE EMERGENCE OF LEFT GOVERNMENTS IN FRANCE OR ITALY WOULD GREATLY COMPLICATE ITS POSITION. EVIDENCE OF HEIGHTENED GERMAN AWARENESS OF NATIONAL SELF-INTEREST CAN ALSO BE FOUND IN THE FACT THAT THE FRG IS MORE INTERESTED IN THE POSSIBLE NEEDS OF ETHNIC GERMANS IN NAMIBIA THAN IN THE ZIMBABWE DEVELOPMENT FUND, DEEPLY CONCERNED ABOUT ITS COMMERCIAL STANDING IN THE THIRD WORLD, AND QUITE VOCAL ABOUT

THE PRESERVATION OF ITS IMPORTANT HIGH-TECHNOLOGY NUCLEAR INDUSTRY.

AS THE EMBASSY HAS ABLY POINTED OUT, THERE IS BOUND TO BE HEIGHTENED GERMAN NERVOUSNESS WHENEVER A NEW ADMINISTRATION TAKES OFFICE IN WASHINGTON. BUT THIS TIME THE UNEASE HAS BEEN FAR MORE PRONOUNCED AND THE EFFECTS MORE DIRECTLY FELT IN OUR BILATERAL RELATIONS. IT WOULD APPEAR FROM GERMAN REACTIONS TO THE LONDON SUMMIT THAT ESTABLISHMENT OF DIRECT PRESIDENT-CHANCELLOR CONTACTS HAS HELPED CONSIDERABLY. THE SCHMIDT VISIT IN JULY SHOULD FURTHER THIS PROCESS. HOWEVER, ANY PROGNOSIS FOR US-FRG RELATIONS FOR THE YEAR AHEAD MUST OF NECESSITY EXAMINE THE REASONS FOR GERMAN UNEASINESS, AS WELL AS THE DIFFERENCES IN STYLE AND APPROACH BETWEEN BONN AND WASHINGTON.

3. US GOALS IN FRG-US RELATIONS: THE APRIL 22 INTER-AGENCY POLICY ASSESSMENT MEETING EXAMINED THE EMBASSY'S CONFIDENTIAL

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EXPOSITION OF US INTERESTS IN THE FRG AND AGREED WITH THE OBJECTIVES OF

--MAINTAINING A SECURITY RELATIONSHIP BASED ON CONFIDENCE IN THE US COMMITMENT TO DEFEND THE FRG AND BERLIN AND WHICH FOSTERS A MAJOR FRG CONTRIBUTION TO A STRONGER AND MORE COHESIVE WESTERN EUROPE AND NATO;

--KEEPING THE FRG AS A STRONG ALLY IN EUROPE AND THE FREE WORLD, AND CHANNELING FRG POWER INTO WESTERN MULTILATERAL INSTITUTIONS SUCH AS THE EC AND OECD;

--CONTINUING MUTUAL COOPERATION IN TACKLING MAJOR WORLD

MULTILATERAL ISSUES AND PARTICULAR PROBLEMS IN AREAS  
OUTSIDE EUROPE;

--ON ECONOMIC ISSUES, ACCENTUATING PROMOTION OF  
OVERLAPPING US-FRG INTERESTS;

--MAINTAINING THE ALLIED POSITION IN BERLIN AND  
PRESERVING THE CITY'S REAL AND SYMBOLIC ROLES.

WHILE DIFFERENT POINTS IN TIME COULD LEAD TO AN  
ALTERED RANK ORDERING OF THESE GLOBAL AND REGIONAL  
US INTERESTS, AS A TOTALITY THEY REMAIN THE BASIC  
GOALS OF OUR RELATIONSHIP WITH THE FRG.

4. FRG GOALS: THE FRG GENERALLY SHARES THESE GOALS,  
PARTICULARLY FROM THE STANDPOINT OF THAT COUNTRY'S HEAVY  
DEPENDENCE ON THE US FOR ITS SECURITY, AND THE GERMAN  
DESIRE TO MAKE FRG ECONOMIC PROWESS SERVE BOTH ITS OWN  
AND THE GREATER INTERESTS OF THE FREE WORLD. YET IN  
TWO RESPECTS, ADDITIONAL FRG GOALS WARRANT MENTION:  
FIRST IS THE FRG RELATIONSHIP TO BERLIN, THE GDR AND  
EASTERN EUROPE IN TERMS BOTH OF THE SHORT-TERM GOAL OF  
REDUCED TENSION AND INCREASED CONTACT AND THE LONG-TERM  
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GOAL OF PEACEFUL REUNIFICATION OF GERMANY. THESE  
POLICY CONSIDERATIONS PLACE SPECIAL EMPHASIS AND SOME  
STRESS ON THE US CONNECTION. IN A BROADER FRAMEWORK  
THE FRG ALSO HAS A VESTED INTEREST IN AN IMPROVED  
US-USSR RELATIONSHIP, WHETHER IT BE SPILLOVER BENEFITS  
INTO MBFR FROM FURTHER IMPLEMENTATION OF SALT,  
INCREASED ECONOMIC COOPERATION, OR PROGRESS ON SOME  
HUMAN RIGHTS MATTERS.

THE OTHER FRG GOAL--IN THE CONTEXT OF ITS RELATIONSHIP  
TO THE US--IS TO SEE TO IT THAT OUR TIES DO NOT  
BECOME SO "SPECIAL" OR DOMINANT THAT FRG TIES TO ITS  
EC PARTNERS, AND THE REST OF WESTERN EUROPE GENERALLY,  
SUFFER. THE LAST THING THE FRG WANTS IS TO FOSTER  
JEALOUSLY AND ENMITY IN THE VERY AREA--WESTERN EUROPE--  
WHERE IT HAS ESTABLISHED ITS POSTWAR ROOTS. COMING  
INTO PLAY HERE, ALSO, ARE THE POTENTIAL COMPLICATIONS FOR  
THE GERMAN ROLE IN THE EC AND EUROPE WHICH WOULD BE  
BROUGHT BY LEFTWARD MOVEMENT IN FRANCE OR ITALY AND/OR  
ENHANCED GERMAN STRENGTH COMPARED TO THE OTHER MAJOR  
EC COUNTRIES.

THE FRG'S BASIC INTERESTS DICTATE A CONSTANT MONITORING  
OF ITS US RELATIONSHIP WITH THESE "EASTERN" AND "WESTERN"  
CONNECTIONS FIRMLY IN MIND, AND IT IS IN THESE AREAS  
(WITH THE NOTABLE EXCEPTION OF THE BRAZIL/THIRD WORLD  
ASPECT OF THE NUCLEAR PROLIFERATION ISSUE) THAT WE

FIND THE MAIN BREEDING GROUND FOR TENSION IN OUR  
BILATERAL RELATIONS. FOR OUR PART, WE ALSO WANT TO

DOWNPLAY A "SPECIAL" BILATERAL RELATIONSHIP, BUT WE WILL  
HAVE TO CONTINUE TO RESIST THE TEMPTATION ENGENDERED BY  
THE GROWING WEAKNESS OF OTHER WESTERN EUROPEAN STATES  
RELATIVE TO THE FRG TO ZERO IN ON THE FRG AS THE BEST  
OR ONLY SOURCE OF EUROPEAN UNDERPINNING AND RESOURCES  
FOR ANY NUMBER OF US POLICY INITIATIVES THROUGHOUT  
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THE WORLD. ALTHOUGH THE 1976 REVIVAL OF THE "UGLY

GERMAN" IMAGE APPEARS TO HAVE BEEN SHORT-LIVED, THANKS  
IN GREAT MEASURE TO HEIGHTENED GERMAN AWARENESS OF  
THE PROBLEM, THE GERMANS ARE INCREASINGLY RELUCTANT  
TO APPEAR AS AN OVERLY WILLING US PARTNER EVEN THOUGH  
THEIR GROWING STRENGTH MILITATES TOWARD MORE RATHER  
THAN LESS FRG INTERNATIONAL INVOLVEMENT.  
IN SUM, US POLICY IMPLEMENTATION MUST RECOGNIZE TWO  
SOMEWHAT DISPARATE LEVELS OF US-FRG INTEREST:  
"COMMONALITY" IN THE GEO-POLITICAL FIELD, BUT POTENTIALLY  
DIVERGENT INTERESTS IN THE ECONOMIC SPHERE, WHERE CLOSE  
COOPERATION BY THE FRG SHOULD NOT BE TAKEN FOR GRANTED,  
PARTICULARLY IN QUESTIONS OF ENERGY POLICY AND THIRD  
WORLD DEMANDS.

5. THE INCREASED WEIGHT OF THE INTERNAL SITUATION IN THE

FRG: WHILE WE HAVE NEVER VIEWED AS OPEN-ENDED THE FRG'S  
EXPANDING ROLE ON THE WORLD STAGE, WE HAVE NOT HAD TO  
FOCUS VERY MUCH ON THE INTERNAL SITUATION AS AN INHIBITING  
FACTOR. INDEED, A HALLMARK OF LAST YEAR'S ASSESSMENT  
WAS RECOGNITION THAT THE FRG HAS SUNK STRONG DEMOCRATIC  
ROOTS, A VIEW SUBSEQUENTLY REINFORCED BY THE OCTOBER 3  
PARLIAMENTARY ELECTION RESULTS: THE LEFTIST AND  
RIGHTIST FRINGES OF THE POLITICAL SPECTRUM GARNERED  
ONLY 0.9 PERCENT OF THE VOTE IN A 90.7 PERCENT  
VOTER TURNOUT.

THE 1976 ELECTION SHOWED THAT WHILE THERE WAS SOME LINGER-  
ING DISCONTENT OVER A RELATIVELY (IN GERMAN EYES AT LEAST)  
HIGH UNEMPLOYMENT RATE AND A PARTICULAR PROBLEM WITH  
YOUTH UNEMPLOYMENT, THE SCHMIDT/GENSCHER COALITION WAS  
GIVEN A VOTE OF APPROVAL--HOWEVER NARROW--FOR PILOTING  
THE FRG THROUGH UNCERTAIN ECONOMIC WATERS. GROWTH  
RATES OF 5-5.5 PERCENT IN 1976 AND A PROJECTED 1977  
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RATE OF 4-4.5 PERCENT INDICATE THAT THE WORST OF THE

RECESSION IS OVER. EVEN THE OPPOSITION AGREES THAT GOING BEYOND THE CURRENTLY PROPOSED REFLATION PROGRAM IS UNDESIRABLE. GOVERNMENT COALITION AND OPPOSITION ALSO SEE EYE-TO-EYE ON THE NEED FOR HIGH-TECHNOLOGY FRG EXPORTS, GIVING SCHMIDT BIPARTISAN SUPPORT ON THE FRG-BRAZIL DEAL, EVEN THOUGH A SIZABLE GROUP IN THE SPD IS SILENTLY SYMPATHETIC TO US CONCERNS

OVER NON-PROLIFERATION AND HAS A DISLIKE FOR THE MILITARY GOVERNMENT IN BRAZIL.

THE RECENT SPATE OF SPECULATION ABOUT THE SURVIVABILITY OF THE SCHMIDT-GENSCHER COALITION RESTS ON OTHER ISSUES, MAINLY THE RESULTS OF A NUMBER OF POLITICAL FUMBLES COMBINED WITH APPARENT INABILITY TO MAKE SIGNIFICANT HEADWAY ON LINGERING SOCIO-ECONOMIC PROBLEMS SUCH AS THE PENSION ISSUE. EMBASSY BONN'S MOST RECENT ANALYSIS (REFTEL C) FINDS THE COALITION LIKELY TO SURVIVE AT LEAST UNTIL THE STATE ELECTIONS IN MARCH-OCTOBER 1978, WITH THE RESULTS IN HAMBURG, LOWER SAXONY AND HESSE PROVIDING THE KEY TO THE DURABILITY OF THE COALITION. THERE IS INCREASING LIKELIHOOD THAT THE FREE DEMOCRATS MAY BEGIN TO UNDO THEIR COALITION WITH THE SOCIAL DEMOCRATS IF THOSE STATE ELECTION RESULTS ARE UNFAVORABLE. IF, HOWEVER, THE COALITION COMES THROUGH THE STATE ELECTIONS, THERE IS LITTLE LIKELIHOOD THAT IT WOULD FALL BEFORE THE 1980 PARLIAMENTARY ELECTIONS ARE DUE, ALTHOUGH ITS ENERGY AND AUTHORITY MAY BE SAPPED AND ITS ENTIRE CAPACITY FOCUSED ON THOSE ELECTIONS. THE MESSAGE FOR US POLICY IS THAT FOR THE NEXT TWO TO THREE YEARS WE WILL BE DEALING WITH AN EDGY AND UNCERTAIN PARTNER, A GOVERNMENT MUCH MORE PREOCCUPIED WITH DOMESTIC POLITICS THAN IN THE PAST THOUGH STILL ABLE TO GOVERN BECAUSE OF THE CONFIDENTIAL

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STABILIZING FACTORS INHERENT IN THE FRG CONSTITUTIONAL SYSTEM. WE MUST REALISTICALLY EXPECT AND ACCEPT LESS THAN TOTAL SUPPORT ON MANY ISSUES, AND IT WILL BE USEFUL TO CONVEY TO FRG LEADERS OUR FULL UNDERSTANDING OF THEIR CONSTRAINTS.

THIS PICTURE OF INCREASED INTERNAL WEAKNESS AND RESULTANT DIMINUTION IN THE FREEDOM AND WHEREWITHAL OF ACTION OF THE RECENT PAST IS BALANCED TO SOME EXTENT BY THE FACT THAT GOVERNMENT COALITION AND OPPOSITION AGREE THAT CLOSE RELATIONS WITH THE UNITED STATES REMAIN AN ESSENTIAL PILLAR OF GERMAN FOREIGN POLICY. IT IS ALSO A TRUISM THAT GOOD RELATIONS WITH THE UNITED STATES BOLSTER THE GERMAN CHANCELLOR, WITNESS THE POSITIVE REACTION IN THE FRG TO THE DEGREE OF HARMONY ACHIEVED AT THE LONDON

SUMMIT. WE AGREE WITH THE EMBASSY'S BELIEF THAT THE FRG WILL WANT, AND WILL HAVE, TO WORK WITH US AND WILL MAKE AN EFFORT TO FIND AREAS IN WHICH THAT COLLABORATION WILL GAIN DOMESTIC SUPPORT (MOST LIKELY IN EAST-WEST AND NORTH-SOUTH MATTERS). GIVEN THE DISTINCT POSSIBILITY OF A DECLINE IN SCHMIDT-GENSCHER COALITION FORTUNES, WE MUST CONCENTRATE ON THE SHORT TERM PERIOD TO CLEAR THE AIR AS MUCH AS POSSIBLE IN OUR BILATERAL RELATIONS, FOCUS ON AREAS OF AGREEMENT AND MAXIMIZE CONCERTED ACTION.

6. THE IMPORTANCE OF TONE: US GOVERNMENT REPRESENTATIVES IN WASHINGTON AND IN THE FIELD, NOT TO MENTION NON-GOVERNMENT FIGURES CONNECTED WITH GERMANY, HAVE RECENTLY BEEN WITNESS TO A GREAT AMOUNT OF HAND-WRINGING BY

WEST GERMANS, ONLY A PORTION OF WHICH WE CAN SAFELY DISCOUNT. THIS COMES AT A TIME WHEN THE FRG IS MORE INDEPENDENT AND ASSERTIVE IN PROTECTING ITS OWN SOVEREIGN INTERESTS.

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WE HAVE GROWN SO ACCUSTOMED TO "IDENTITY OF VIEWS" WITH THE FRG THAT WHEN DIFFERENCES ARE BROUGHT OUT IN THE OPEN THERE IS A TENDENCY TO SEE A BASIC CHANGE IN THE RELATIONSHIP. IN FACT NONE OF THE SEVERAL AREAS WHERE WE AND THE GERMANS TODAY DISAGREE IS SUFFICIENT BY ITSELF TO ERODE THE SOUND RELATIONSHIP BUILT UP OVER YEARS OF CLOSE COLLABORATION AND MUTUAL SUPPORT. TAKEN TOGETHER, HOWEVER, THESE ISSUES ADD UP TO A POTENTIALLY SERIOUS STATE OF AFFAIRS. CONTINUING THE EFFORT DISPLAYED AT LONDON BY BOTH SIDES, IT IS ENTIRELY POSSIBLE THAT THE PREVIOUS HIGH LEVEL OF RELATIONS CAN BE RESTORED. AND THE GREATER THE EFFORT, THE GREATER THE PROSPECTS FOR SUCCESS IN VIEW OF THE FACTORS ALREADY CITED: SUSTAINED GERMAN UNEASE; LESS FREEDOM OF ACTION IN BONN; CONTINUING, FAR-REACHING US POLICY INITIATIVES; AND THE AMOUNT OF DISAGREEMENT ALREADY OUT IN THE OPEN.

FRANK EXCHANGES OF VIEWS AND THE CULTIVATION OF PERSONAL LINKS BETWEEN US AND FRG LEADERS CAN DO MUCH TO DISPEL FRG UNEASE OVER US ACTIONS AND INTENTIONS. THIS MEANS MORE VISITS BY LEADING OFFICIALS AND CONTINUING CONSULTATIONS ON ISSUES THAT MAY IMPINGE ON EITHER COUNTRY'S INTERESTS. THIS SORT OF EXCHANGE WILL NOT SOLVE ALL THE SUBSTANTIVE PROBLEMS BETWEEN US, BUT "NON-PROBLEMS" CAN BE DISPENSED WITH, REAL PROBLEMS WILL BE MORE MANAGEABLE, AND THE TONE OF THE RELATIONSHIP CAN BECOME MORE CONSTRUCTIVE, SO AS TO ALLOW SUBSTANTIVE DIFFERENCES TO BE DISCUSSED IN A SPIRIT OF FRIENDSHIP AND MUTUAL UNDERSTANDING.



7. TO WHOM SHOULD WE BE TALKING?: IT WILL BE HELPFUL IF WE CAN CONVEY TO FRG LEADERS OUR UNDERSTANDING OF FRG CONCERNS, INTERESTS AND LIMITATIONS. IT WILL PROVE VERY USEFUL, IN THOSE INSTANCES WHERE FRG RESOURCES ARE INDEED CRUCIAL FOR SOLUTION OF AN INTERNATIONAL ISSUE, TO MODERATE OR ELIMINATE OTHER DEMANDS  
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WE HAVE BEEN PRONE TO MAKE OF THE FRG. WE MUST NOT FORGET THAT US-FRG TIES HAVE IN THE PAST RESTED ON A BROAD SPECTRUM OF FAVORABLE PUBLIC OPINION IN THE FRG, A CONSENSUS THAT WE CAN NO LONGER TAKE FOR GRANTED. WE MUST BE SURE THAT THE REASONING BEHIND OUR NEW POLICIES AS WELL AS OUR UNDERSTANDING OF FRG INTERESTS ARE WIDELY KNOWN IN THE FRG.

THE IMMEDIATE GAP IN MUTUAL TRUST AND CONFIDENCE EXTENDS BEYOND THE OFFICIALS IN BONN DEALING WITH US RELATIONS ON A DAY-TO-DAY BASIS. IT HAS EXTENDED INTO THE MEDIA AND ECONOMIC/BUSINESS CIRCLES, TO MENTION ONLY TWO SPECIFIC KEY GROUPS. AND, AS PREVIOUS ASSESSMENTS AND GUIDELINES HAVE CORRECTLY HIGHLIGHTED, THERE IS ADDED NEED TO COMMUNICATE WITH THE NEW GENERATION GRADUALLY COMING INTO POSITIONS OF RESPONSIBILITY IN THE FRG, A GROUP MORE SKEPTICAL THAN THEIR ELDERS ABOUT WHETHER

EVERYTHING WE WISH TO DO MUST IPSO FACTO BE RIGHT FOR GERMANY. QUITE CLEARLY WE CAN ONLY ESTABLISH A CLOSE RELATIONSHIP OF MUTUAL CONFIDENCE WITH YOUNGER GERMANS IF WE FOSTER MEANINGFUL EXCHANGES OF OPINIONS AND EXPERIENCES. THE INTERNATIONAL VISITORS PROGRAM HAS BEEN INCREASINGLY GEARED TO HANDLE YOUNGER GERMANS. MANY MISIMPRESSIONS ARE CORRECTED AND MANY GOOD WILL RESOURCES CREATED THROUGH SUCH VISITS. AT THE SAME TIME WE MUST NOT NEGLECT THE NEED FOR IMPORTANT REPRESENTATIVES OF AMERICAN LIFE--OFFICIAL AND PRIVATE--TO VISIT THE FRG AND SPEAK ON THE ISSUES AND POLICIES OF THE DAY.

8. OTHER ISSUES: EMBASSY BONN IN ITS ASSESSMENT CABLE (REFTEL A) CONSIDERED IN COGENT FASHION SPECIFIC POLITICAL, ECONOMIC AND CULTURAL AREAS OF US-FRG INTERACTION (PARAGRAPHS 22 THROUGH 34 AND 42 THROUGH 50). THE EMBASSY'S ANALYSIS AND RECOMMENDATIONS HAVE BEEN ACCEPTED,  
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ALONG WITH THE FOLLOWING MODIFICATION:

TRADE POLICY (PARA 45): THERE IS LEGITIMATE US CONCERN OVER FRG OFFICIAL SUPPORT VIA SUBSIDIES AND GOVERNMENT

PROCUREMENT PRACTICES OF COMMERCIAL PRODUCTS DIRECTLY COMPETITIVE WITH CURRENT US PRODUCT LINES. THE FRG SHOULD BE ENCOURAGED--WHERE APPROPRIATE--TO AVOID SUCH TRADE DISTORTING PRACTICES. WITH REGARD TO THE MTN, WE SHOULD SEEK CONTINUED FRG SUPPORT TO ACHIEVE SUBSTANTIVE RESULTS AND OPPOSE AN OTHERWISE LIMITED CONCLUSION OF THE NEGOTIATIONS.

9. RESOURCES: THE EMBASSY VERY COGENTLY POINTED OUT IN REFTEL A THAT THE CHALLENGE OF KEEPING US-FRG RELATIONS ON EVEN KEEL WILL NOT BE MADE EASIER BY A CONTINUING REDUCTION OF DEPARTMENT OF STATE AND USIA PERSONNEL IN THE FRG. ALTHOUGH THE PRECISE SCOPE OF RECENT AND PROSPECTIVE CUTS IS BEYOND THE TASK OF THIS GUIDELINES CABLE, WE ARE CONCERNED WHETHER US GOALS IN OUR RELATIONS WITH THE FEDERAL REPUBLIC--AND THEIR FAR-REACHING BENEFITS AND IMPLICATIONS FOR KEY INTERESTS IN THIS COUNTRY--CAN BE COMPATIBLE WITH REDUCTIONS OF THE VERY RESOURCES NEEDED TO DEAL WITH FRG POLICY-MAKERS AND TO EXPLAIN TO A STILL VERY INTERESTED AUDIENCE IN GERMANY WHAT THE US SEEKS TO DO. VANCE

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**Reference:** (A) BONN 5655 (3/30/77), (B) STATE 241424 (9/28/76), (C) BONN 7053 (4/25/77)  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 04-Feb-2005 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2346854  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** FEDERAL REPUBLIC OF GERMANY: US POLICY GUIDELINES J  
**TAGS:** PFOR, GE, US  
**To:** BONN INFO ALL EUROPEAN DIPLOMATIC POSTS MULTIPLE  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/e86ee888-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
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**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009